

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6181**

**BILL NUMBER: SB 58**

**NOTE PREPARED:** Nov 16, 2009

**BILL AMENDED:**

**SUBJECT:** Tax Liens.

**FIRST AUTHOR:** Sen. Steele

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that the Department of State Revenue may not initiate a proceeding to foreclose on a lien arising from a judgment on a tax warrant more than ten years after the judgment creating the lien is filed. It specifies that if the Department does not initiate proceedings to foreclose on such a lien within ten years after the date the judgment is filed, the lien shall be released.

**Effective Date:** July 1, 2010.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** This bill provides that the Department of State Revenue (DOR) may not initiate a proceeding to foreclose on a lien more than 10 years after the judgment creating the lien is filed. It also provides that if the DOR does not foreclose on such a lien within 10 years, then the lien shall be released. Any taxes, interest, penalties, and collection fees associated with liens that would be released under this bill would not be collected. The impact of these provisions is indeterminable.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** Any unpaid sheriff's costs and/or clerk costs associated with liens that would be released under this bill would not be collected. The impact is indeterminable.

**State Agencies Affected:** DOR.

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** Jessica Harmon, 232-9854.